The Stand-by Credit Facility (SCF)

The Stand-by Credit Facility (SCF) provides financial assistance to low-income countries (LICs) with short-term balance of payments needs. The SCF is one of the facilities under the Poverty Reduction and Growth Trust (PRGT).

Purpose	Support low-income countries (LICs) that have reached broadly sustainable macroeconomic positions, but may experience episodic, short-term financing and adjustment needs, including those caused by shocks.
	Support countries' economic programs consistent with strong and durable growth and poverty reduction.
	Help catalyze foreign aid.
Eligibility	All PRGT-eligible countries facing a balance of payments need that is expected to be resolved within two years and in any event not more than three.
	A member country with a potential but not immediate balance of payments need can use it on a precautionary basis.
Conditionality	Economic programs should include policies to achieve a stable, sustainable macroeconomic position in the short term, and be aligned with poverty reduction and growth objectives.
	The IMF's program conditionality is focused on policy actions that are critical to achieving the program's objectives. It normally consists of prior actions, quantitative conditions (performance criteria and indicative targets) and structural benchmarks. See more on conditionality.
	A Poverty Reduction and Growth Strategy (PRGS) should be issued to the IMF's Executive Board for completion of the second and subsequent reviews for arrangements with an initial duration of more

		than two years. A PRGS describes macroeconomic, structural, and social policies that support growth and poverty reduction, associated external financing needs and major sources of financing.
Review modalities		Progress of the program is reviewed by the [IMF's Executive Board] usually six months apart.
Terms	**Duration**	12 to 36 months
	Repayment	Grace period of four years and a final maturity of eight years.
	Interest rate/Fee	Tiered interest rate structure effective for all programs approved on or after May 1, 2025. ▪ **Tier 1:** Lowest income LICs **– Zero**. ▪ **Tier 2A:** Higher-income, presumed blenders **– 70 percent of SDRi**[*]. ▪ **Tier 2B:** Higher-income non-presumed blenders **– 40 percent of SDRi**[*]. An availability fee is levied at 0.15 percent a year on the undrawn portion of the available amount during each six-month period.
	Access	Total access to PRGT-facilities is limited to 200 percent of quota per year, and total cumulative concessional credit, net of scheduled repayments, to 600 percent of quota. These limits can be exceeded in exceptional circumstances, with no hard caps on annual or cumulative access, provided the PRGT exceptional access criteria are satisfied. Access is also guided by the access norm, currently set at 145 percent of quota for an 18-month SCF, prorated for longer and shorter duration, up to a 2-year SCF.

		Use of the SCF is limited to 3 years out of any 6-year period, assessed on a rolling basis with exceptions for SCF arrangements treated as precautionary.